

ETHICS OVERVIEW

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OVERVIEW

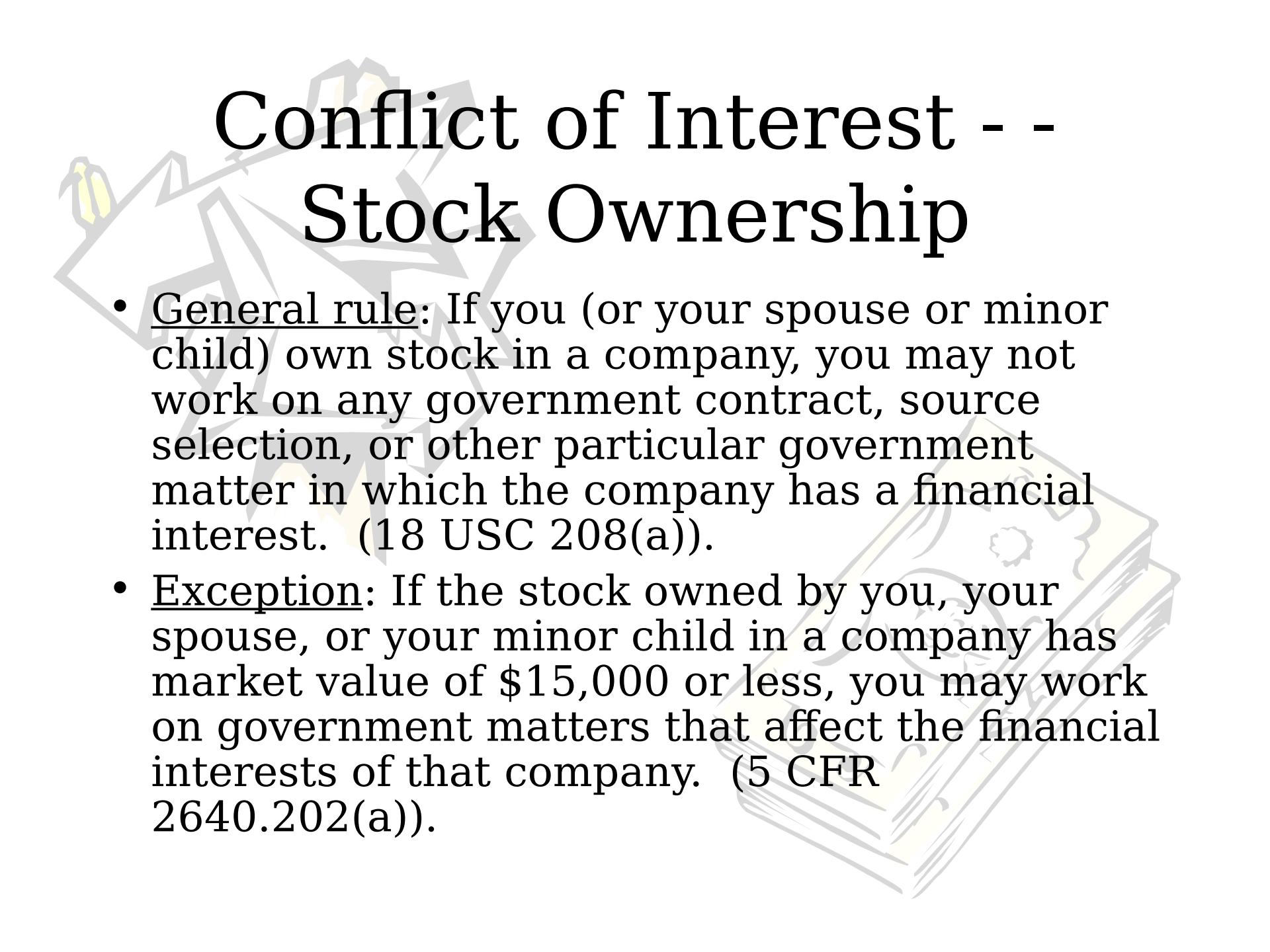
- Briefing will cover five subjects:
 - Conflict of Interest
 - Gifts
 - Misuse of Position
 - Government Property
 - Contractor in the Workplace

Conflict of Interest - -

Mandatory

Disqualification

- You may not participate personally & substantially (e.g., make a decision, give advice, make a recommendation) in any government matter that would affect the financial interests of:
 - You, your spouse, or your minor child
 - Your general partner
 - An organization in which you are serving as an officer, director, trustee, general partner, or employee, OR
 - An organization with which you are negotiating for employment, or have an arrangement for future employment.



Conflict of Interest - - Stock Ownership

- General rule: If you (or your spouse or minor child) own stock in a company, you may not work on any government contract, source selection, or other particular government matter in which the company has a financial interest. (18 USC 208(a)).
- Exception: If the stock owned by you, your spouse, or your minor child in a company has market value of \$15,000 or less, you may work on government matters that affect the financial interests of that company. (5 CFR 2640.202(a)).

Conflict of Interest - -

“Appearance of a Conflict of Interest”

- Situation where we don't have a financial interest under the law but notwithstanding still looks bad for us to participate in the official matter because of some other relationship.
- Ask whether a reasonable person with knowledge of the relevant facts question an employee's impartiality if the employee participates in a particular official Army matter.

Conflict of Interest - -

“Appearance of a Conflict of Interest”

- A supervisor may disqualify an employee from participating in a government matter that affects the financial interests of:
 - 1) A member of the employee's household
 - 2) A relative with whom the employee has a close personal relationship
 - 3) An organization in which employee is an active participant (e.g., committee chair).

“Appearance of a Conflict of Interest”

(Continued)

- A supervisor may disqualify an employee from participating in a government matter that affects the financial interests of:
 - 4) Company with which employee has business relationship in personal capacity (e.g., customer in off-duty employment business)
 - 5) Organization in which employee served, within the last year, as officer, director, trustee, consultant, contractor, or employee
 - 6) Organization in which employee’s spouse is serving as officer, director, trustee, consultant, contractor, or employee.

“Appearance of a Conflict of Interest”

(Continued)

- Balancing test. In above situations, supervisor should allow employee to participate in the matter only if supervisor determines that government’s need to have the employee participate in the matter outweighs the appearance problems that would result.
- Factors to consider with assistance of an Ethics Counselor.

Gifts From Outside Sources

(Gifts) - -

General Rules

- Employees may not accept gifts:
 - Offered because of their official position, OR
 - From a “prohibited source” (DoD contractor)
- Exceptions/Items excluded from definitions of a gift

Gifts - - Exclusions from the Definition of a “Gift”

- Modest items of food & drink not part of a meal (e.g., coffee, soft drinks, donuts, hors d'oeuvres)
- Items with little intrinsic value intended solely for presentation (e.g., plaques, certificates, & trophies)
- Opportunities & benefits offered to the public, to all government employees, or to all military personnel (e.g., “military discount” for airlines & hotels)

Gift Exception - - \$20/\$50 Rule

- You may accept unsolicited gifts up to \$20 in value at one time (but never cash or investments)
- Gifts from one source (e.g., one company) can't exceed \$50 in value in a calendar year
- You may not "buy down" to \$20; i.e., pay \$5 and then accept a gift worth \$25
- The \$20 limit is per occasion and per source (e.g., at trade show you may accept gifts worth \$20 or less from four contractors, as long as \$50 annual per company cap is not exceeded)

Gifts Between Employees

- Generally prohibited if from subordinate or solicited for superior
- Exceptions
 - Occasional Basis
 - Items with value of \$10 or less/occasion
 - Food/refreshments in the office
 - Personal hospitality at an employee's home
 - Special Infrequent Occasions
 - Marriage, illness, retirement, birth, or adoption of a child
 - Transfers which terminate subordinate-official superior relationship
 - Value of gift cannot exceed \$300 from a single donating group

Misuse of Position

- Use of public office for private gain
 - cannot induce or coerce benefits
 - cannot endorse
- Use of non-public information
 - May not use non-public information to further their own private interests or the private interests of others
- Use of official time
 - May not ask or direct their subordinates to use official time for other than official duties

Government Property

- Basic Rule
 - Employees have a duty to protect and conserve Government property and shall not use Government property for “other than authorized purposes.”
- Rules on Government-Owned Vehicles
 - AR 58-1, “Management, Acquisition and use of Motor Vehicles,” dated 28 January 2000
 - Rick Johnson, AMSOS-ISF, extension 2851
 - Rental Vehicles
 - Tom Cozad, AMSOS-TT, extension 6803
- Rules on Use of Communications Systems and Other Resources
 - CG Policy #44

Contractor Employees Located in the Workplace

- Always remember contractor employees are not government employees
- Identify the location of the contractor in relationship to where you conduct business
- Be sensitive to the kind of information you leave on your desk and computer screen, the type of information you discuss within an earshot of contractor personnel, or what you discuss in meetings
- Look for identification badges that disclose a contractor employee's non-Government status

Safeguard Sensitive Information Against Unauthorized Disclosure

- On-site contractors should not be situated in close proximity with government personnel if doing so increases the likelihood that sensitive information would be released.
- On-site support contractors should sign nondisclosure agreements as an added protection against improper release of information
- Establish internal mechanisms for the early release of acquisition information to all contractors at the same time to avoid appearances of favoritism and unfair competitive advantages.
- Improper disclosure may violate federal law. At the least, it can result in reduced competition, unfair competition, or reflect that the process lacks integrity